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T.R.A. DOCKET ROOM
March 12, 2004

Joelle J. Phillips
Attorney

615 214 6311
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VIA HAND DELIVERY

Hon. Deborah Taylor Tate, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re. *Petition of Celco Partnership d/b/a Verizon Wireless for Arbitration Under
the Telecommunications Act of 1996*
Consolidated Docket No. 03-00585

Dear Chairman Tate

Enclosed are the original and fourteen copies of BellSouth's *Response in
Opposition to the Preliminary Motion of the Rural Coalition of Small LECs and
Cooperatives to Dismiss or, in the Alternative, Add an Indispensable Party*. Copies of
the enclosed are being provided to counsel of record

Cordially,



Joelle Phillips

JJP:ch

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *Petition of Cellco Partnership d/b/a Verizon Wireless for Arbitration Under the Telecommunications Act of 1996*

Consolidated Docket No. 03-00585

**BELLSOUTH TELECOMMUNICATIONS, INC.'S RESPONSE
IN OPPOSITION TO THE PRELIMINARY MOTION OF THE
RURAL COALITION OF SMALL LECs AND COOPERATIVES TO
DISMISS OR, IN THE ALTERNATIVE, ADD AN INDISPENSABLE PARTY**

BellSouth Telecommunications, Inc. ("BellSouth")¹ files this *Response in Opposition to the Preliminary Motion of the Rural Coalition of Small LECs and Cooperatives ("ICOs") to Dismiss or, in the Alternative, Add an Indispensable Party ("Motion")* and respectfully shows the Tennessee Regulatory Authority ("Authority" or "TRA") as follows:

Introduction

The ICOs' *Motion* to add BellSouth seeks relief contrary to the Authority's prior decisions relating to arbitrations, misstates the subject of the above-styled arbitration, and wrongly claims that the ICOs are unable to reach interconnection agreements with the Commercial Mobile Radio Service ("CMRS") providers without the participation of BellSouth. The true facts are these:

¹ BellSouth is not a party to these consolidated dockets. BellSouth files this response to the motion to join BellSouth in order to provide the Authority with relevant information and legal argument regarding the attempted joinder of BellSouth. BellSouth makes this filing as a non-party, and by making this filing, BellSouth does not volunteer or agree to become a party, nor does BellSouth waive its right to maintain its non-party status. BellSouth is sensitive to the concerns, expressed by the parties, about avoiding delay of their arbitrations. Accordingly, BellSouth makes this filing at this time, rather than awaiting a ruling on the motion, in order to avoid delay.

(1) The Authority has recognized that arbitrations are two-party matters. Consistent with this recognition, the TRA has declined in the past to permit parties to intervene in arbitrations when those parties are not one of the two parties to the agreement the requesting carrier seeks to arbitrate. In fact, the TRA even promulgated previous guidelines specifically providing that interventions of third parties would not be permitted in arbitrations. The ICOs' motion completely ignores this specific TRA precedent.

(2) The subject of the arbitrations is not, as the ICOs suggest, "three way indirect interconnection arrangements". Rather, the CMRS providers (the requesting carriers) have sought arbitration with the ICOs (the incumbent carrier) of open issues resulting from negotiation in which these parties attempted to reach two-party interconnection agreements. The arbitration is not about a three-party agreement. In fact, the CMRS providers and BellSouth have both refused to agree to three-way interconnection agreements, and there is no precedent requiring such three-way agreements. This motion is simply yet another attempt by the ICOs to force a three-way agreement onto parties who are unwilling to accept such an arrangement.² There is no law requiring the CMRS providers or BellSouth to enter into such three-party interconnection contracts. Three-party interconnection contracts are not what has been

² BellSouth notes that, while it refuses to enter into an unprecedented three-way interconnection agreement, BellSouth has maintained throughout negotiations that it was willing to enter into a three-way settlement agreement, providing for interim compensation to be provided to the ICOs. This type of three-way settlement was rejected by the CMRS providers, and BellSouth has neither the right nor the power to force the CMRS providers to participate in a three-way settlement. When this form of settlement was rejected by the CMRS providers, BellSouth made an independent offer of settlement, which the ICOs are free to combine with the separate CMRS settlement offer. BellSouth has not withdrawn its settlement offer. To BellSouth's knowledge, the CMRS providers have also left their offer on the table.

sought by the requesting carriers, and three-party interconnection agreements are not the subject of the arbitration.

(3) Finally, as noted in BellSouth's recent filing in Docket No. 00-00523, *Rural Universal Service Fund* ("Rural USF Docket"), the ICOs ***can reach, and in fact have reached***, interconnection agreements with CMRS providers without the involvement, or even knowledge, of BellSouth and certainly without the need for BellSouth to sign on as a third party to such agreements. The ICOs' assertion that "as a matter of both law and logic, the terms and conditions applicable to this three-party arrangement cannot be established in the absence of one of the three parties" is wrong. In fact, as a matter of both law and logic – and as a matter of actual past fact – the ICOs and the CMRS providers can certainly enter into two-party interconnection agreements as contemplated by the Telecommunications Act of 1996 (the "Act") similar to those two-party ICO-CMRS interconnection agreements which have been filed with the Authority and approved in the past. *Wireless Interconnection Agreement Between TDS Telecom and Verizon*, Docket No. 02-00973, approved by TRA Panel, Kyle, Jones, Tate, order issued November 13, 2002; *Wireless Interconnection Agreement between Cingular Wireless and Highland Telephone Cooperative, Inc.*, Docket No. 01-00873, approved by TRA Panel, Kyle, Greer, Malone, order issued January 17, 2002. Each of these agreements specifically provides for transiting traffic through a third party like BellSouth. These agreements were negotiated without any involvement of BellSouth. It is inaccurate for the ICOs to suggest that two-party agreements between these ICOs and the CMRS carriers cannot be reached or that BellSouth must participate in fashioning

these agreements when members of the ICO Coalition have, in fact, entered into precisely such two-party agreements without any involvement of BellSouth.

I. **The CMRS Arbitration Petitions Are Proper And Should Not Be Dismissed.**

The ICOs' request that the CMRS providers' petitions for arbitration be rejected and dismissed flies in the face of the ICOs' prior statements to the Authority that it was willing to negotiate interconnection agreements with the CMRS providers, that it did not object to the filing of such CMRS arbitrations at the TRA, and that the ICOs were committed to moving forward without delay to resolve the arbitrations and reach interconnection agreements with the CMRS providers. Among the ICOs' statements indicating that the CMRS providers could look to the TRA for arbitration if negotiations were not successful, was the following discussion during the April 22, 2003 Status Conference in Docket No. 00-00523 by counsel for the ICOs:

The rural independents acknowledge and recognize that any wireless carrier has every right to, under the rules that exist, establish an interconnection point with the independents and seek transport and termination under Section 251(b)(5) of the Telecommunications Act. That is, in plain English, they are entitled to a rate established according to the FCC's rules for the transport and termination of traffic upon request.

The process of establishing that rate involves a statutory negotiation period in which the parties can have a good faith discussion about what the terms and conditions should be. And to the extent they agree, they file an agreement for approval by the Authority. To the extent they can't agree, the process is very clear; they come to the Authority and ask for arbitration and ask you to help decide the terms and conditions where they are out of agreement. And that process is absolutely open, always has been open, and continues to be open. Not any independent I work for would suggest otherwise, nor would they try to stop that process. (Transcript at p. 10, lines 2-23)

This latest filing, seeking dismissal of the very arbitration contemplated in April of last year in fact does seek to “stop that process” and cannot be reconciled with the above-quoted former position of the ICOs.³ In fact, the CMRS providers have followed precisely the very steps outlined in that statement on behalf of the ICOs. Did the ICOs really believe they could concede the availability of CMRS arbitration at the TRA, engage in negotiation with the CMRS providers premised upon the availability of TRA arbitration to resolve open issues, and then – a year later – decide the arbitrations were not proper?

If the ICOs intended to oppose arbitration with the CMRS providers, then they had numerous opportunities to make their position known earlier. Instead, the ICOs gave every indication that they agreed such arbitrations were proper. Consistent with the ICOs’ former statements about the availability of arbitration, the CMRS providers have engaged in negotiation, developed issues lists, prepared petitions, and proposed a schedule – all in anticipation that arbitration was available. If the ICOs have now changed their mind and take a different position, then the Authority is certainly well within its discretion to deem such arguments untimely and/or prejudicial, and to reject them accordingly.

³ This latest step by the ICOs requesting dismissal of the arbitration, highlights one of BellSouth’s concerns regarding settlement of the interim compensation issue raised by the ICOs. As the Authority is aware, BellSouth has offered to participate in some reasonable settlement providing for interim compensation to the ICOs while the arbitrations are ongoing, provided that such a settlement provided a specific cut-off date, after which BellSouth would no longer be asked to provide payment. BellSouth has rejected the ICOs’ demand that BellSouth provide compensation until such time (whenever it occurs) as an agreement is in place between the ICOs and the CMRS providers. BellSouth has been concerned that an interim compensation agreement that continues until an agreement is in place between the ICOs and the CMRS providers would provide an overwhelming incentive for the ICOs to delay resolution of the arbitration. This concern has also been expressed by the CMRS providers. The ICOs’ current attempt to dismiss the arbitrations confirms that the concerns regarding ICO efforts to delay the arbitrations were, in fact, well-founded.

II. The ICO's Request to Join BellSouth Is Not Supported by Authority Precedent or Other Law.

A. The Authority's Past Decisions and Practice Have Established that Arbitrations Are Limited to Two Parties in the Absence of an Agreement to Consolidate.

The ICO's argument is long on rhetoric but short (in fact, non-existent) on TRA precedent. Specifically, the ICOs cite nothing to support their contention that an arbitration can include the participation of an unwilling third party, who is neither the requesting carrier nor the incumbent with whom the requesting carrier requests interconnection. The plain language of Section 252 provides for negotiations and arbitration between two (2) parties, "an incumbent local exchange carrier" and "the requesting telecommunications carrier or carriers[.]" In this instance, the two parties are: the CMRS providers (the "requesting carriers") and the ICOs (the "incumbent local exchange carrier" with whom the interconnection has been sought by the requesting carrier).

The Authority recognized the clear two-party makeup of an arbitration when it first began conducting Section 252 arbitrations in Tennessee. In one of its earliest arbitrations, the Authority prohibited third parties from intervening.⁴ Also consistent with its recognition of two-party nature of arbitrations, the Authority's previous Public Necessity Rules regarding the Practice and Procedure Governing Proceedings Under Section 252 of the Federal Telecommunications Act of 1996, which were promulgated and adopted in September 1996, at 1220-1-3-.10, provided that,

The Authority will not accept or grant petitions for intervention in any arbitration conducted pursuant to Section 252 of the Federal Telecommunications Act.

⁴ See TRA Order Denying the Petition of the Consumer Advocate Division to Intervene, September 11, 1996, Docket No. 96-01152.

During the recent February 23, 2004 Status Conference in this docket, both BellSouth and the CMRS providers noted specifically that the Authority's past decisions and historical practice in the context of arbitrations simply did not permit the intervention or joinder of a third party. Notwithstanding these explicit references during that status conference to the past specific Authority precedent on this point, the Coalition's *Motion* seeking joinder relies solely on general procedural rules and makes not one single reference explaining or distinguishing the Authority's past decisions and practice in the specific context of arbitrations from their present request. The fact is that the Authority has considered in the past the issue of whether additional parties, other than (1) the requesting carrier and (2) the one party with whom the requesting carrier seeks to enter into an interconnection agreement, can become a party to an arbitration proceeding at the TRA. The Authority decided that the inclusion of such third parties was improper. The ICOs offer no discussion of this precedent and no basis to permit joinder of an additional party in this instance in the face of that contrary precedent.

B. The ICOs' Insistence that CMRS-Originated Traffic is the Subject of an Existing Agreement with BellSouth is Baseless.

In both these arbitrations and the *Rural USF* Docket, the ICOs have attempted to draw BellSouth into their negotiations with the CMRS providers – and now into this consolidated arbitration docket – by arguing that the CMRS-originated traffic that transits BellSouth's network and terminates to ICO end users is governed by Primary Carrier Plan ("PCP") agreements governing the toll settlement arrangements between BellSouth and the ICOs. While BellSouth has cited specific language in those contracts that limits the scope of those agreements to traffic carried exclusively by BellSouth or

the ICOs pursuant to toll tariffs,⁵ the ICOs have identified no language in the PCP agreements supporting their argument that CMRS-originated traffic is governed by the PCP. Further clarifying the matter is the fact that the CMRS-originated traffic is not toll traffic provided "under uniform toll tariffs" as set forth in the language of the PCP.⁶

Moreover, the ICOs' contention that the ICOs and BellSouth have a contractual obligation relevant to CMRS traffic (a contention with no support in the language of the only contract between these parties) need not be resolved by bringing BellSouth into this CMRS arbitration docket. The ICOs have a forum for pursuing that claim (a claim that has repeatedly been held in abeyance, and, thus not an "emergency"). They can

⁵ See PCP excerpt, attached, defining traffic governed by PCP as traffic "furnished exclusively by exchange carriers under uniform toll tariffs" - a definition that clearly excludes CMRS-originated traffic by its plain language. Given the date of that language (1985), it is equally clear that neither party could have actually intended to include CMRS traffic in that definition.

⁶ As BellSouth (and the CMRS providers) have previously noted, the FCC's view of this traffic is also consistent with BellSouth's position and flatly at odds with the position of the ICOs. In their recent filing in the *Rural USF Docket*, the ICOs have taken great liberties with their interpretation of the FCC's Order on Remand. While they claim that the Order on Remand modified the 1996 order BellSouth cited, and that "the FCC determined that all traffic to and from a CMRS carrier within an MTA is not necessarily local," nothing is farther from the truth. The Order on Remand was the FCC's attempt to resolve the issue of whether reciprocal compensation as described in Section 251(b)(5) of the Act is due for Internet Service Provider traffic exchanged by carriers. The FCC found that "exchange access, information access, and exchange services for such access" provided to IXCs and information service providers, as set forth in Section 251(g) of the Act, is not subject to reciprocal compensation under 251(b)(5). The provisions of the Order on Remand relied upon by the ICOs do not mention CMRS traffic or transit traffic, and while the FCC in the Order on Remand may have discontinued the use of the term "local" traffic, it found that all telecommunications traffic is subject to reciprocal compensation under 251(b)(5) except for exchange access, information access and exchange services for such access. In other words, reciprocal compensation applies to all telecommunications traffic that is not Section 251(g) traffic. BellSouth agrees that it is possible for CMRS traffic to be subject to access charges to the extent that traffic is delivered to a toll provider as a long distance call. In such case, the CMRS provider would bill and collect toll charges from the end user (or would provide toll capability for a fixed price), hand off the call to the end user's toll provider, and collect originating access charges from the end user's toll provider. The traffic at issue here, however, is not toll traffic. It is not exchange access, information access or exchange service under Section 251(g). It is local traffic - or Section 251(b)(5) traffic - subject to reciprocal compensation that would be delivered directly from the CMRS provider to the ICO if those parties were directly interconnected. Utilizing BellSouth as a transit provider does not make BellSouth a toll provider, nor does it change the jurisdiction of the traffic. The ICOs' reliance on the Order on Remand is wholly misplaced. It does not modify the FCC's finding in the First Report and Order that CMRS traffic originating and terminating in the same MTA is local traffic (or Section 251(b)(5) traffic), nor does it even apply to the case at hand.

resolve that claim in the *Rural USF* Docket where they raised it. Raising it in the context of this docket will simply cause delay and needless confusion.

Conclusion

The ICO's *Motion* is without legal support, and it should not be permitted to derail the CMRS providers' legal right to reach two-party interconnection agreements under the Act. The ICOs never indicated in the past that they would take issue with the CMRS providers' attempt to arbitrate or that issues with BellSouth prohibited the CMRS providers, as requesting carriers, from proceeding to arbitrate agreements with the incumbent from whom they seek such an agreement (the ICOs, not BellSouth). To the contrary, the ICOs have repeatedly stated that the wireless carriers could arbitrate if negotiation was not successful. In reliance on those statements, the CMRS providers have engaged in months and months of time-consuming negotiations. All the parties to the *Rural USF* Docket have engaged in numerous calls and meetings. As a result of all these activities, these parties have incurred substantial legal fees as they worked through a process – a process it appeared that all agreed could well lead to arbitration before the TRA. The ICOs should not be permitted, at this late date in the process, to render that effort and expense pointless or to further obstruct the CMRS providers' attempts to reach interconnection agreements as is their right under the Act.

For all of the foregoing reasons, BellSouth respectfully urges the Authority to deny the *Motion* of the ICOs and allow the CMRS providers and the ICOs to proceed with their arbitrations.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

By: 

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675 W. Peachtree St., NE, Suite 4300

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BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

November 13, 2002

IN RE:

**PETITION FOR APPROVAL OF
INTERCONNECTION AGREEMENT
BETWEEN TDS TELECOMMUNICATIONS
CORPORATION AND CELLCO
PARTNERSHIP D/B/A VERIZON WIRELESS**

DOCKET NO. 02-00973

ORDER APPROVING INTERCONNECTION AGREEMENT

This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate, and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on October 21, 2002 to consider, pursuant to 47 U.S.C. § 252, the Petition for approval of the interconnection agreement for cellular and commercial mobile radio services negotiated between TDS Telecommunications Corporation and Cellco Partnership, d/b/a Verizon Wireless, filed on September 9, 2002.

Based upon a review of the agreement, the record in this matter, and the standards for review set forth in 47 U.S.C. § 252, the Directors unanimously granted the Petition and made the following findings and conclusions:

- 1) The Authority has jurisdiction over public utilities pursuant to Tenn. Code Ann § 65-4-104.
 - 2) The agreement is in the public interest as it provides consumers with alternative sources of telecommunications services within the TDS Telecommunications Corporation service area.
 - 3) The agreement is not discriminatory to telecommunications service providers that are not parties thereto.
-

4) 47 U.S.C. § 252(e)(2)(A) provides that a state commission may reject a negotiated agreement only if it “discriminates against a telecommunications carrier not a party to the agreement” or if the implementation of the agreement “is not consistent with the public interest, convenience or necessity.” Unlike arbitrated agreements, a state commission may not reject a negotiated agreement on the grounds that the agreement fails to meet the requirements of 47 U.S.C. §§ 251 or 252(d).¹ Thus, although the Authority finds that neither ground for rejection of a negotiated agreement exists, this finding should not be construed to mean that the agreement is consistent with §§ 251 or 252(d) or, for that matter, previous Authority decisions.

5) This is an agreement for the provision of commercial mobile radio services and is not an agreement between competing carriers.

6) No person or entity has sought to intervene in this docket.

7) The agreement is reviewable by the Authority pursuant to 47 U.S.C. § 252 and Tenn. Code Ann. § 65-4-104.

IT IS THEREFORE ORDERED THAT:

The Petition is granted, and the interconnection agreement for commercial mobile radio services between TDS Telecommunications Corporation and Cellco Partnership d/b/a Verizon Wireless is approved and is subject to the review of the Authority as provided herein.


Sara Kyle, Chairman


Deborah Taylor Tate, Director


Ron Jones, Director

¹ See 47 U.S.C. § 252(e)(2)(B)(Supp 2001)

TDS TELECOM®

P.O. Box 22995
Knoxville, TN 37933 0995

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FAX 865 675 3881

725 Pellissippi Parkway, Ste. 230
Knoxville, TN 37932

Government and Regulatory Affairs *02 SEP 3 AM 9 40

September 5, 2002

TN REGULATORY AUTHORITY
DOCKET ROOM

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Attention: Ms. Sharla Dillon

Dear Ms. Dillon;

DOCKET NO.

02-00973

With reference to our telephone conversation of September 3, 2002, I am enclosing the filing fee of \$25 00/each and the additional eight copies each of the following Agreements.

- Wireless Interconnection Agreement between TDS TELECOM and Celco Partnership, d/b/a Verizon Wireless dated June 2, 2002.
- Mutual Traffic Exchange Agreement between TDS Telecom and ICG Telecom Group dated July 1, 2002
- Retail Reseller Agreement – Tennessee between telephone company subsidiaries of TDS Telecommunications Corporation and National Telecom, LLC dated May, 2002.

Again, thank you for your help in getting these Agreements filed

If you have any questions please call me at (865) 671-4747.

Sincerely,



Joyce Marlowe
Administrative Assistant

Enclosures

TDS TELECOM®

P.O. Box 22995
Knoxville, TN 37933 0995

Telephone 865-966 4700
FAX 865-675 3881

725 Pellissippi Parkway, Ste 230
Knoxville, TN 37932

Government and Regulatory Affairs

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AUG 27 2002

August 20, 2002

**SARA KYLE, COMMISSIONER
TN PUBLIC SERVICE COMM.**

The Honorable Sara Kyle
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Wireless Interconnection Agreement between TDS Telecom and Cellco
Partnership, d/b/a Verizon Wireless

Dear Ms. Chairman:

Enclosed please find the original and five (5) copies of the Wireless Interconnect
Agreement between the TDS Telecom Tennessee companies and Cellco Partnership,
d/b/a Verizon Wireless.

Please contact me with any questions at 865-671-4753.

Sincerely,



Bruce H. Mottern
Director - Revenue & Earnings

Enclosures

cc: Mrs. Linda Lowrance, TDS Telecom w/enclosures
Ms. Mary Bacigalupi, Verizon Wireless
Mr. Dale Grimes, Bass, Berry & Sims w/enclosures

WIRELESS INTERCONNECTION AGREEMENT
TDS TELECOM - TENNESSEE

This Agreement is effective on the first day of June, 2002, by and between TDS Telecommunications Corporation, a Delaware corporation ("TDS TELECOM"), as agent for the Tennessee corporations listed on Appendix A (collectively, "TDS TELECOM"), and Cellco Partnership, d/b/a Verizon Wireless, a Delaware general partnership ("VZW") with respect to and on behalf of the FCC CMRS licensees and markets listed in Appendix B (Collectively, "VZW").

TDS TELECOM is a local exchange carrier acting through its subsidiary telephone companies in Tennessee. VZW is a commercial mobile radio service carrier operating in Tennessee. TDS TELECOM and VZW desire to interconnect their networks for the purpose of exchanging traffic between the Parties' customers.

In consideration of the mutual covenants contained in this Agreement, the Parties agree as follows.

SECTION I
SCOPE OF AGREEMENT

This Agreement shall cover local interconnection arrangements between VZW's network in Tennessee and TDS TELECOM's network in Tennessee. The exchange of non-local telecommunications traffic between other portions of TDS TELECOM's network and VZW's network shall be accomplished using the existing toll telephone network.

As used in this Agreement, the following terms shall have the meanings specified in this Section:

"Local Traffic" means the completion of wireless to wireline and wireline to wireless calls which originate and terminate within the same MTA based on the location of the cell site serving the wireless subscriber at the beginning of the call and the central office for the landline end-user.

"Major Trading Area" (MTA) means a geographic area established by Rand McNally's Commercial Atlas and Marketing Guide and used by the FCC in defining CMRS license boundaries for CMRS providers for purposes of Sections 251 and 252 of the Act.

"Non--Local Traffic" for which access charges will be applicable, means the completion of interMTA calls based on the location of the cell site serving the wireless subscriber and the central office for the landline end-user.

SECTION II TRAFFIC EXCHANGE

A. Direct Interconnection

1. VZW shall provide its own facilities and transport for the delivery of traffic from its Mobile Switching Center to a mutually acceptable meet point for interconnection to the TDS TELECOM network. Alternatively, VZW may purchase required facilities from a third party or from TDS TELECOM for the delivery of such traffic. Rates for facilities and transport or other services purchased from TDS TELECOM are specified in TDS TELECOM's applicable Local or Access Tariff.
2. The meet points between TDS TELECOM and VZW are defined in Appendix C, which is incorporated by reference. This Agreement shall not preclude TDS TELECOM and VZW from entering into additional direct interconnection arrangements in the future if such arrangements are technically feasible and economically beneficial.

B. Indirect Interconnection

1. For all traffic that is not exchanged via direct interconnection, the meet point for indirect interconnection shall be at an appropriate third party LEC tandem switch.
2. When traffic is exchanged at third party LEC tandem switch, each Party shall be responsible for the cost of providing the trunks from its network to the third party LEC tandem switch. The originating party shall be responsible for payment of any transit charges (including tandem switching) assessed by the third party LEC. Either Party shall be allowed to establish a different point of interconnection for the calls which that Party originates, provided that the new point of interconnection does not increase the cost of transporting or terminating calls for the other Party.

C. Billing. Each Party shall bill the other for calls which the billing Party terminates to its own customers and which were originated by the billed Party. Applicable local transport and termination rates and billing procedures are set forth on the attached Appendix A, which is incorporated by reference. The billed Party shall pay the billing Party for all charges properly listed on the bill. Such payments are to be received within thirty (30) days from the effective date of the statement. The billed Party shall pay a late charge on the unpaid undisputed amounts that have been billed that are greater than thirty (30) days old. The rate of the late charge shall be the lesser of 1.5% per month or the maximum amount allowed by law. The billed Party shall pay the billing Party the reasonable amount of the billing Party's expenses related to collection of overdue bills, such amounts to include reasonable attorney's fees. Neither Party shall bill the other for traffic that is more than one (1) year old.

SECTION III INDEPENDENT CONTRACTORS

The Parties to this Agreement are independent contractors. Neither Party is an agent, representative, or partner of the other Party. Neither Party shall have the right, power or authority to enter into any agreement for or on behalf of, or incur any obligation or liability of, or to otherwise bind the other Party. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party.

SECTION IV LIABILITY

A.

Neither Party nor any of their affiliates shall be liable for any incidental, consequential or special damages arising from the other Party's use of service provided under this Agreement. Each Party shall indemnify and defend the other Party against any claims or actions arising from the indemnifying Party's use of the service provided under this Agreement, except to the extent of damages caused by the negligence or willful misconduct of the indemnified Party.

B.

Neither Party makes any warranties, express or implied, for any hardware, software, goods, or services provided under this Agreement. All warranties, including those of merchantability and fitness for a particular purpose, are expressly disclaimed and waived.

C.

The liability of either Party to the other Party for damages arising out of failures, mistakes, omissions, interruptions, delays, errors, or defects occurring in the course of furnishing any services, arrangements, or facilities hereunder shall be determined in accordance with the terms of applicable tariff(s) of the Party. In the event no tariff(s) apply, the providing Party's liability shall not exceed an amount equal to the pro-rata monthly charge for the period in which such failures, mistakes, omissions, interruptions, delays, errors, or defects occur. Recovery of said amount shall be the injured Party's sole and exclusive remedy against the providing Party for such failures, mistakes, omissions, interruptions, delays, errors, or defects.

SECTION V ATTORNEY'S FEES AND COURT COSTS

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which it may be entitled.

SECTION VI TERM OF AGREEMENT

A.

Either Party may submit this Agreement for approval by the state public service commission. This Agreement shall commence on the effective date stated on the first page, subject to its approval by the public service commission and shall terminate one (1) year after the effective date.

B.

This Agreement shall renew automatically for successive one (1) year terms, commencing on the termination date of the initial term or latest renewal term. The automatic renewal shall take effect without notice to either Party, except that either Party may elect not to renew and terminate by giving the other Party written notice of its intention not to renew at least ninety (90) days prior to each anniversary date.

Either Party may request for this Agreement to be renegotiated upon the expiration of the initial one (1) year term or upon any termination of this Agreement. Not later than 45 days from the receipt of initial request for renegotiations, the Parties shall commence negotiation, which shall be conducted in good faith. Except in cases in which this Agreement has been terminated for Default pursuant to §VI (C), the provisions of this Agreement shall remain in force during the negotiation and up to the time that a successor agreement is executed by the Parties and, to the extent necessary, approved by the relevant state commission.

C.

If either Party defaults in the payment of any amount due hereunder, or if either Party violates any other provision of this Agreement, and such default or violation shall continue for sixty (60) days after written notice thereof, the other Party may terminate this Agreement and services hereunder by written notice provided the other Party has provided the defaulting Party and the appropriate federal and/or state regulatory bodies with written notice at least twenty-five (25) days prior to terminating service.

SECTION VII THIRD PARTY BENEFICIARIES

This Agreement is not intended to benefit any person or entity not a Party to it and no third Party beneficiaries are created by this Agreement.

SECTION VIII GOVERNING LAW, FORUM, AND VENUE

To the extent not governed by the laws and regulations of the United States, this Agreement shall be governed by the laws and regulations of the State of Tennessee. Disputes arising under this Agreement, or under the use of service provided under this Agreement, shall be resolved in state or federal court in Tennessee, the Tennessee Public Service Commission or the Federal Communications Commission.

**SECTION IX
ENTIRE AGREEMENT**

This Agreement incorporates all terms of the agreement between the Parties, and supersedes all prior oral or written agreements, representations, statements, negotiations, understandings, proposals, and undertakings with respect to the subject matter thereof. This Agreement may not be modified except in writing signed by both Parties, which modification shall become effective 30 days after its execution, unless otherwise mutually agreed by the Parties. This Agreement is a result of a negotiation between the Parties, and it was jointly drafted by both Parties.

**SECTION X
NOTICE**

Notices shall be effective when received or within three (3) business days of being sent via first class mail, whichever is sooner, in the case of VZW to:

Business Name: Verizon Wireless
Mailing Address: 2785 Mitchell Drive, MS 7-1
City/State/Zip Code: Walnut Creek, CA 94598
Attention: Mary Bacigalupi
Contact Phone Number: (925) 279-6006

Verizon Wireless
Director of Interconnection, Regulatory
1300 I Street, NW- STE 400 W
Washington, DC 20005
(202) 589-3756

Notices shall be effective when received or within three (3) business days of being sent via first class mail, whichever is sooner, in the case of TDS TELECOM to:

Business Name: TDS TELECOM
Mailing Address: P.O. Box 22995
Shipping Address: 9737 Cogdill Road, Suite 230
City/State/Zip Code: Knoxville, TN 37933-0995 (37932 for shipping)
Attention: Carrier Relations
Contact Phone Number: (865) 966-4700

Bills and payments shall be effective when received or within three (3) business days of being sent via first class mail, whichever is sooner, in the case of VZW to:

Business Name: Verizon Wireless
Mailing Address: 3100 West End Avenue, Suite 1100
City/State/Zip Code: Nashville, TN 37203
Attention: Mary Heath
Contact Phone Number: 615-385-5119

Bills shall be effective when received or within three (3) business days of being sent via first class mail, whichever is sooner, in the case of TDS TELECOM to:

Business Name: TDS TELECOM
Mailing Address: P.O. Box 5158
City/State/Zip Code: Madison, WI 53705-0158
Attention: Kris Groth, Local Interconnection

or to such other location as the receiving Party may direct in writing. Payments are to be sent to the address on the invoice.

VZW shall ensure bills and payments reference the specific TDS TELECOM company name(s) for which traffic is being billed or paid (see Appendix A for company list).

SECTION XI ASSIGNABILITY

Either Party may assign this Agreement upon the written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, no consent shall be required for the assignment of this Agreement in the context of the sale of all or substantially all of the assets or stock of either of the Parties. Notwithstanding the foregoing, either Party may assign this Agreement or any rights or obligations hereunder to an affiliate of such Party without the consent of the other Party.

SECTION XII MISCELLANEOUS

TDS TELECOM is qualified for the rural telephone company exemption pursuant to Section 251(f) of the Telecommunications Act of 1996 and does not waive such exemption.

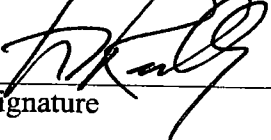
SECTION XIII NONDISCLOSURE OF PROPRIETARY INFORMATION

The Parties agree that it may be necessary to exchange certain confidential information during the term of this Agreement including, without limitation, technical and business plans, technical information, proposals, specifications, drawings, procedures, orders for services, usage information in any form, customer account data and Customer Proprietary Network Information ("CPNI") as that term is defined by the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission and similar information ("Confidential Information"). Confidential Information shall include (i) all information delivered in written or electronic form and marked "confidential" or "proprietary" or bearing mark of similar import; or (ii) information derived by the Recipient from a Disclosing Party's usage of the Recipient's network including customer account data and CPNI. Information disclosed orally shall not be considered Confidential Information unless Disclosing Party advises Recipient prior to disclosure that such information is Confidential Information and such information is reduced to writing by the Disclosing Party and delivered to the Recipient within 72 hours of disclosure. The Confidential Information is deemed proprietary to the Disclosing Party and it shall be protected by the Recipient as the Recipient would protect its own proprietary information. Confidential Information shall not be disclosed or used for any purpose other than to provide service as specified in this Agreement. For

purposes of this Section XIII, the Disclosing Party shall mean the owner of the Confidential Information, and the Recipient shall mean the Party to whom Confidential Information is disclosed.

Information shall not be deemed Confidential Information and the Recipient shall have no obligation to safeguard Confidential Information (i) which was in the Recipient's possession free of restriction prior to its receipt from Disclosing Party, (ii) after it becomes publicly known or available through no breach of this Agreement by Recipient, (iii) after it is rightfully acquired by Recipient free of restrictions on the Disclosing Party, or (iv) after it is independently developed by personnel of Recipient to whom the Disclosing Party's Confidential information had not been previously disclosed. Recipient may disclose Confidential Information if required by law, a court, or governmental agency provided the Recipient shall give at least thirty (30) days notice (or such lesser time as may be sufficient based on the time of the request) to the Disclosing Party to enable the Disclosing Party to seek a protective order. Each Party agrees that Disclosing Party would be irreparably injured by a breach of this Agreement by Recipient or its representatives and that Disclosing Party shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach of this paragraph. Such remedies shall not be exclusive, but shall be in addition to all other remedies available at law or in equity.

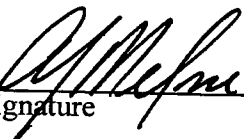
**By: TDS Telecommunications Corporation, as agent for the Tennessee corporations
listed on Appendix A**

 8/14/02
Signature (date)

Printed name and title:
Louis D. Reilly III
Director - Carrier Relations

By: Cellco Partnership d/b/a Verizon Wireless

**Verizon Wireless Tennessee Partnership d/b/a Verizon Wireless
By Cellco Partnership, Its General Partner**

 8/6/02
Signature (date)

Printed name and title:
Anthony J. Melone
Vice President - Network Operations Support

**Signature Page dated June 1, 2002 to Wireless Interconnection Agreement between
TDS Telecommunications Corporation (Tennessee Cos.) and Cellco Partnership
d/b/a Verizon Wireless relating to the exchange of Local Traffic.**

APPENDIX A
Local Transport and Termination Rates and Billing Procedures

The Parties shall reciprocally and symmetrically compensate one another for Local Traffic terminated to their respective customers at the rates set forth below:

Indirect Interconnection:

<u>VZW and TDS TELECOM:</u>	<u>\$/MOU</u>
Concord Telephone Exchange, Inc.	.00808
Humphreys County Telephone Company	.00830
Tennessee Telephone Company	.00896
Tellico Telephone Company, Inc.	.00852

Direct Interconnection:

<u>VZW and TDS TELECOM:</u>	<u>\$/MOU</u>
Type 1, 2B	.00400
Type 2A	.00577

TDS TELECOM shall obtain a monthly traffic distribution report from the tandem operator summarizing traffic originated by VZW and terminating to TDS TELECOM. This report information shall be used by TDS TELECOM for billing VZW for traffic terminating to TDS TELECOM. VZW may obtain a monthly traffic distribution report from the tandem operator summarizing traffic originated by TDS TELECOM and terminated to VZW. This report information may be used by VZW for invoicing TDS TELECOM for terminating traffic to VZW.

If VZW elects not or is unable to order a traffic report from the tandem operator, the Parties agree to the following principles for billing terminating usage to one another:

1. TDS TELECOM shall bill for 100% of the traffic originated by VZW and terminated to TDS TELECOM.
2. VZW shall calculate estimated TDS TELECOM terminating traffic to VZW using the following formula: VZW shall bill TDS TELECOM based on the MOUs in 1. above, divided by 0.70 (seventy percent). The total of the calculation shall then be multiplied by 0.30 (thirty percent) to determine the traffic originated by TDS TELECOM and terminated to VZW.

The Parties agree to revise these factors, semi-annually, based upon traffic studies conducted.

Either Party may bill on a monthly or quarterly basis.

The Parties agree to accept the monthly traffic distribution report from the tandem operator as an accurate statement of traffic exchanged between the Parties. Either Party

may perform an audit of the other Party's billing information related to terminating minutes of use of the billed Party. The Parties agree that such audits shall be performed no more than one time per calendar year. Each Party shall bear its own expenses associated with such audit. The audits shall be conducted on the premises of the audited Party during normal business hours.

Either Party may elect to measure terminating Local Traffic through its own recording equipment and utilize these measurements in place of the traffic distribution reports from the tandem operator.

Transport and termination of Non-Local Traffic shall be billed per applicable access tariff or comparable rates where a tariff does not exist.

APPENDIX B
FCC and CMRS Licensees and Markets

Licensee Service	Market Name
Verizon Wireless Tennessee Partnership	Nashville-Davidson Knoxville Johnson City - Kingsport-Bristol Chattanooga Clarksville-Hopkinsville Tennessee 1-Lake Tennessee 2-Cannon Tennessee 3-Macon Tennessee 5-Fayette Tennessee 6-Giles Tennessee 7-Bledsoe Tennessee 9-Maury Memphis Cleveland

Appendix C
Direct Interconnection Points

Type 1 Interconnection Service:

Type 1 Interconnection Service provides a trunk-side connection with line treatment between a TDS TELECOM end office and a wireless service provider's point of interconnection. It is used for the exchange of Local Traffic. Type 1 Interconnection Service provides access to all TDS TELECOM customers served via the end office.

1. The meet point for traffic to and from the Parsons exchange of TDS TELECOM's Tennessee Telephone Company shall be at the Parsons central office (PRSSTNXADS1).

Type 2A Interconnection Service:

Type 2A Interconnection Service provides a trunk-side connection between a TDS TELECOM host office and a wireless service provider's point of interconnection. It is used for the exchange of Local Traffic. Type 2A Interconnection Service provides access to all TDS TELECOM customers served via the host office or any remote end offices.

1. The meet point for traffic to and from the Clifton, Collinwood, Lobelville and Waynesboro exchanges of TDS TELECOM's Tennessee Telephone Company shall be at the Waynesboro central office (WYBOTNXADS0).
2. The meet point for traffic to and from the Decaturville, Parsons, Sardis and Scotts Hill exchanges of TDS TELECOM's Tennessee Telephone Company shall be at the Parsons central office (PRSSTNXADS1).

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

JANUARY 17, 2002

IN RE:)	
)	
APPROVAL OF THE INTERCONNECTION)	DOCKET NO. 01-00873
AGREEMENT NEGOTIATED BY BELL SOUTH)	
PERSONAL COMMUNICATIONS, LLC d/b/a)	
CINGULAR WIRELESS AND HIGHLAND)	
TELEPHONE COOPERATIVE, INC.)	
PURSUANT TO SECTIONS 251 AND 252 OF)	
THE TELECOMMUNICATIONS ACT OF 1996)	

**ORDER APPROVING COMMERCIAL MOBILE RADIO SERVICE
INTERCONNECTION AGREEMENT**

The Petition for Approval of the Interconnection Agreement Negotiated by BellSouth Personal Communications, LLC d/b/a Cingular Wireless¹ and Highland Telephone Cooperative, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 came before the Tennessee Regulatory Authority (the "Authority") at the December 4, 2001 Authority Conference. The Agreement was filed on October 10, 2001 and came before the Authority pursuant to 47 U.S.C. §§ 251 and 252.

Based upon the Petition, the record in this matter, and the standards for review set forth in 47 U.S.C. §§ 251 and 252, the Directors unanimously approved the Agreement and made the following findings and conclusions:

¹ Cingular Wireless is a joint venture between SBC Communications, Inc. and BellSouth Corporation and a provider of Commercial Mobile Radio Services in Tennessee

1) The Authority has jurisdiction over public utilities pursuant to Tenn. Code Ann. § 65-4-104.

2) The Agreement is in the public interest as it provides consumers with alternative sources of telecommunications services in Highland Telephone Cooperative, Inc.'s service area.

3) The Agreement is not discriminatory to telecommunications service providers that are not parties thereto.

4) This is a Commercial Mobile Radio Services agreement and not an agreement between competing carriers.

5) By approving this Agreement, the Authority does not make a determination that the provision of wireless services to both business and residential customers within the Highland Telephone Cooperative, Inc. service area rises to the level of facilities-based competition under 47 U.S.C. § 271(c)(1)(A).

6) No person or entity has sought to intervene in this docket.

7) The Agreement is consistent with previous Authority rulings and satisfies the standards for approval of negotiated interconnection agreements set forth in 47 U.S.C. §§ 251 and 252.

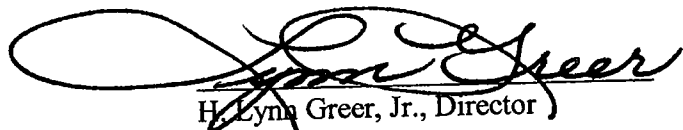
8) The Agreement is reviewable by the Authority pursuant to 47 U.S.C. §§ 251 and 252 and Tenn. Code Ann. § 65-4-104.

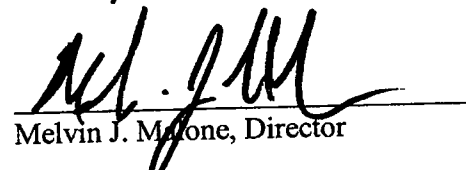
IT IS THEREFORE ORDERED THAT:

The Commercial Mobile Radio Service Interconnection Agreement negotiated between BellSouth Personal Communications, LLC d/b/a Cingular Wireless and Highland

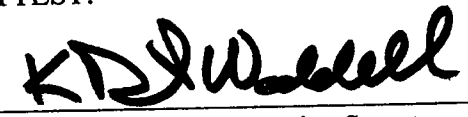
Telephone Cooperative, Inc. is approved and is subject to the review of the Authority as provided herein.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director


Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *Approval of the Interconnection Agreement Negotiated by BellSouth Personal Communications, LLC d/b/a Cingular Wireless¹ and Highland Telephone Cooperative, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996*
Docket No. 01-00873 EAL:JH

**PETITION FOR APPROVAL OF THE INTERCONNECTION AGREEMENT NEGOTIATED BY
BELL SOUTH PERSONAL COMMUNICATIONS, LLC d/b/a Cingular Wireless AND
HIGHLAND TELEPHONE COOPERATIVE, INC. PURSUANT TO SECTIONS
251 AND 252 OF THE TELECOMMUNICATIONS ACT OF 1996**

COME NOW BellSouth Personal Communications, LLC d/b/a Cingular Wireless ("Cingular Wireless") and respectfully files this request with the Tennessee Regulatory Authority (the "TRA") for approval of the attached Interconnection Agreement (the "Agreement"). The Agreement was negotiated between Highland Telephone Cooperative, Inc. ("Highland") and Cingular Wireless pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, ("the Act"). The Agreement provides for the continued interconnection of the two companies' networks, thereby facilitating Cingular Wireless's provision of commercial mobile radio services ("CMRS") to both residential and business customers in Tennessee. Cingular Wireless, therefore, respectfully requests that the Authority act within the 90 days specified by the Act and approve the Agreement.

In support of their request, and Cingular Wireless states the following:

THE PARTIES

1. Cingular Wireless is a telecommunications carrier that has been granted authority by the Federal Communications Commission to provide CMRS in a specific market in Tennessee.

2. Highland is a local exchange carrier authorized to provide local exchange service in a specific market in Tennessee.

¹ Cingular Wireless is a joint venture of SBC Communications, Inc. and BellSouth Corporation.

THE AGREEMENT

3. Highland and Cingular Wireless have successfully negotiated the agreement for the continued interconnection of their networks. A copy of the Agreement is attached hereto and incorporated herein by reference

4. Cingular Wireless and Highland have entered into this Agreement, pursuant to Sections 251 (c) and 252 (a) of the Act.

5. Pursuant to Section 252 (e) of the Act, Cingular Wireless is submitting their Agreement to the TRA for its consideration and approval.

COMPLIANCE WITH THE ACT

6. First, as required by Section 252(e)(2)(a)(i) of the Act, the Agreement does not discriminate against any other telecommunications carrier. Other carriers are not bound by the Agreement and remain free to negotiate independently with Cingular Wireless pursuant to Section 252 of the Act.

7. Second, the Agreement is consistent with the public interest, convenience, and necessity, as required by Section 252(e)(2)(a)(ii) of the Act

APPROVAL OF THE AGREEMENT

8. In accordance with Section 252(e) of the Act, the TRA is charged with approving or rejecting the Agreement between Highland and Cingular Wireless within 90 days of its submission. The Act provides that the TRA may reject such Agreement only if it finds that the Agreement or any portion thereof discriminates against a telecommunications carrier not a party to the Agreement, or if it finds that the implementation of the Agreement or any portion thereof is not consistent with the public interest, convenience and necessity.

9 Cingular Wireless avers that the Agreement is consistent with the standards for approval.

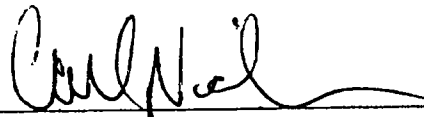
10. Cingular Wireless respectfully requests that the TRA approve the Agreement negotiated between the parties without revision as expeditiously as possible consistent with the public interest.

This 12th day of September, 2001.

Respectfully submitted,

BellSouth Personal Communications, LLC
d/b/a Cingular Wireless

BY:



Carl Nickens
Suite 1700
5565 Glenridge Connector
Atlanta, GA 30342
404-236-5544

CERTIFICATE OF SERVICE

I, Carl Nickens, hereby certify that I have served a copy of the foregoing Petition for Approval of the Amendment to the Interconnection Agreement on the following via United States Mail on the 12 day of September, 2001.



Carl Nickens

INTERCONNECTION

AGREEMENT

BETWEEN

HIGHLAND TELEPHONE COOPERATIVE, INC.

AND

BELLSOUTH PERSONAL COMMUNICATIONS, LLC

d/b/a CINGULAR WIRELESS

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INTERMTA TRAFFIC	2
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LOCAL INTERCONNECTION	2
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INTERCONNECTION AGREEMENT

THIS AGREEMENT is made by and between Highland Telephone Cooperative, Inc. ("Highland" or LEC), and BellSouth Personal Communications, LLC, dba Cingular Wireless, a limited liability company (Cingular) and shall be deemed effective upon State Commission approval, (the "Effective Date") retroactive to April 20, 2001. This Agreement may refer to either Highland or Cingular or both as a "party" or "parties."

WITNESSETH

WHEREAS, Highland is a telephone cooperative authorized to provide telecommunications services in the state(s) of Tennessee; and

WHEREAS, Cingular is a Commercial Mobile Radio Service ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide CMRS service in the state(s) of Tennessee; and

WHEREAS, the parties intend for this Interconnection Agreement to be effective in, to apply to and to be filed for approval with the Commissions of the following states: Tennessee; and

WHEREAS, the parties wish to interconnect their facilities and exchange traffic for the purposes of fulfilling their obligations pursuant to sections 251 and 252 of the Telecommunications Act of 1996 and to replace any and all other prior agreements, both written and oral;

NOW THEREFORE, in consideration of the mutual agreements contained herein, Highland and Cingular agree as follows:

- I. Definitions.** Certain terms used in this Agreement shall have the meanings as defined below. Other terms used but not defined herein will have the meanings ascribed to them in the Act or in the Rules and Regulations of the FCC or the applicable state commission. The Parties acknowledge that other terms appear in this Agreement which are not defined or ascribed as stated above. The Parties agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the Effective Date of this Agreement.

A. Act means the Communications Act of 1934, as amended, including the Telecommunications Act of 1996 (Public Law 104-104 of the United States Congress effective February 8, 1996).

B. Commission is defined as the appropriate regulatory agency in each state in which the parties intend this agreement to be effective; namely, Tennessee. In Tennessee the Tennessee Regulatory Authority (TRA) has jurisdiction to approve Interconnection Agreements between CMRS providers and LECs.

C. Effective Date is the date of approval of this Contract by the appropriate State Commission.

D. Indirect Traffic means traffic which is originated by one Party and terminated to the other Party in which a third-party carrier provides an intermediary transmission service.

E. InterMTA Traffic means telecommunications traffic between a LEC and a CMRS provider that, at the beginning of the call, originates in one Major Trading Area but terminates in a different Major Trading Area.

F. Local Traffic means, for purposes of reciprocal compensation under this Agreement, telecommunications traffic between the parties that, at the beginning of the call, originates and terminates within the same MTA, as defined in 47 C.F.R. 24.202

G. Local Interconnection is defined for purposes of this Agreement as the delivery of Local Traffic to be terminated on each party's local network so that end users of either party have the ability to reach end users of the other party without the use of any access code or substantial delay in the processing of the call.

H. Major Trading Area ("MTA") means the largest FCC-authorized wireless license territory which serves as the definition for local service area for CMRS traffic for purposes of reciprocal compensation, as defined in 47 C.F.R. 24.202(a).

I. Non-Local Traffic means all traffic that is not Local Traffic, including access services, as described in section VI of this Agreement.

J. Percent Local Usage (PLU) is the ratio of the local minutes to the sum of local and interMTA minutes between the Parties sent over Local Interconnection Trunks. Directory assistance, BLV/BLVI, 900, 976, transiting calls from other exchange carriers and switched access calls are not included in the calculation of PLU.

K. Transit Traffic means Local or non-Local traffic that originated on one Party's network, transited through the other Party's network, and terminated to a third party telecommunications carrier's network.

II. Purpose

The parties desire to enter into this Agreement consistent with all applicable federal, state and local statutes, rules and regulations in effect as of the date of its execution including, without limitation, the Act at Sections 251, 252 and 271.

III. Term of the Agreement

A. The term of this Agreement shall be two years, beginning on the Effective Date.

B. Absent the receipt by one Party of written notice from the other Party at least ninety (90) days prior to the expiration of the Term to the effect that such Party does not intend to extend the Term of this Agreement, this Agreement shall automatically renew and remain in full force and effect on and after the expiration of the Term.

C. If pursuant to Section IIIB, above, this Agreement continues in full force and effect after the expiration of the Term, either Party may terminate this Agreement ninety (90) days after delivering written notice to the other Party of its intention to terminate this Agreement.

D. For any interconnection arrangements between the Parties that may already be in place prior to the Effective Date of this Interconnection Agreement, the Parties agree that, once this Agreement becomes effective, the previous interconnection arrangements shall be superceded in their entirety by this Interconnection Agreement, and the rates contained herein shall be applied, from the Effective Date forward, to all such previous interconnection arrangements.

E. In the event of default, either Party may terminate this Agreement in whole or in part provided that the non-defaulting Party so advises the defaulting Party in writing of the event of the alleged default and the defaulting Party does not remedy the alleged default within 60 days after written notice thereof. Default is defined to include:

(1) Either Party's insolvency or initiation of bankruptcy or receivership proceedings by or against the Party; or

(2) Either Party's material breach of any of the terms or conditions hereof, including the failure to make any undisputed payment when due.

F. Termination of this Agreement for any cause shall not release either Party from any liability which at the time of termination has already accrued to the other Party or which thereafter may accrue in respect to any act or omission prior to termination or from any obligation which is expressly stated herein to survive termination.

G. If upon expiration or termination of this Agreement other than pursuant to Section III E, above, the Parties are negotiating a successor agreement, during such period each Party shall continue to perform its obligations and provide the services described herein until such time as the latter agreement becomes effective; provided however, that if the Parties are unable to reach agreement within six (6) months after termination or expiration of this Agreement, either Party has the right to submit this matter to the Commission for resolution. The Parties expressly agree that the terms, conditions and rates of the successor agreement shall not be retroactive but shall apply only on a going-forward basis.

IV. Intellectual Property

A. Any intellectual property which originates from or is developed by a Party shall remain in the exclusive ownership of that Party. Except for a limited license to use patents or copyrights to the extent necessary for the Parties to use any facilities or equipment (including software) or to receive any service solely as provided under this Agreement, no license in patent, copyright, trademark, service mark or trade secret, or other proprietary or intellectual property right (collectively "Intellectual Property") now or hereafter owned, controlled or licensable by a Party, is granted to the other Party or shall be implied or arise by estoppel. It is the responsibility of LEC to ensure, at no separate or additional cost to Cingular, that LEC has obtained any necessary licenses (in relation to intellectual property of third parties used in LEC's network) to the extent of LEC's own use of facilities or equipment (including software) in the provision of service to LEC's end-user customers.

V. Local Interconnection and Compensation

A. The exchange of the parties' traffic on LEC's EAS routes shall be considered Local Traffic and compensation for the termination of such traffic shall be pursuant to the terms of this section. EAS routes are as defined in LEC's Tariff.

B. Each party will pay the other for terminating its Local Traffic (as defined in the Definitions Section of this Agreement) on the other's network the local interconnection rates as set forth in Exhibit 1. Charges for terminating traffic will be in accumulated conversation minutes, whole and partial, measured from receipt of answer supervision to receipt of disconnect supervision and rounded up to the next whole minute at the close of the billing period. Highland will include a traffic report showing both mobile-originated and landline-originated traffic with each monthly invoice. Cingular will bill Highland for landline-originated traffic based on Highland's traffic report, provided however, that if Highland fails to provide such report or if Cingular has reason to believe the report is not accurate, and if Cingular lacks measurement capability, Cingular will charge Highland a percentage of Highland's bill for the previous month for all usage. The initial percentage will assume that approximately 98% of the total traffic between the Parties is mobile-originated traffic terminated by LEC, as shown on Exhibit 1 attached hereto. Should Highland's traffic reports reflect a

material change in the ratio of land-to-mobile and mobile-to-land traffic, the foregoing traffic ratio will be adjusted by mutual agreement of the parties based upon an analysis of Highland's traffic reports.

C. If Cingular is not billing actual minutes of use, either party may request a state-specific traffic study, using a minimum of 60 days of traffic information, in an effort to derive an accurate approximation of the actual traffic volumes between the parties, the results of which will be used going forward. The parties will work together to produce such study. The requesting Party shall bear all costs of the study.

VI. Methods of Interconnection

A. There are three appropriate methods of interconnecting facilities: (1) interconnection via purchase or lease of facilities from either party by the other party; (2) physical collocation; and (3) virtual collocation where physical collocation is not practical for technical reasons or because of space limitations. Type 1, Type 2A and Type 2B interconnection arrangements may be purchased pursuant to this Agreement provided, however, that such interconnection arrangements shall be provided at the rates, terms and conditions set forth in this Agreement. Rates and charges for both virtual and physical collocation will be provided in a separate collocation agreement.

B. The parties will accept and provide any of the preceding methods of interconnection. Reciprocal connectivity shall be established to at least one LEC access tandem within every LATA Cingular desires to serve, or Cingular may elect to interconnect directly at an end office for interconnection to end users served by that end office. Such interconnecting facilities shall conform, at a minimum, to the telecommunications industry standard of DS-1 pursuant to Bellcore Standard No. TR-NWT-00499. Signal transfer point, Signaling System 7 ("SS7") connectivity is required at each interconnection point after LEC implements SS7 capability within its own network. LEC will provide out-of-band signaling using Common Channel Signaling Access Capability in accordance with the technical specifications set forth in Technical Publication, TR-TSV-000905. The parties facilities' shall provide the necessary on-hook, off-hook answer and disconnect supervision and shall hand off calling party number ID when technically feasible. In the event a party interconnects via the purchase of facilities and/or services from the other party, the appropriate LEC intrastate tariff, as amended from time to time will apply. In the event that such facilities are used for two-way interconnection, the appropriate recurring charges for such facilities will be shared by the parties based upon percentages equal to the actual percentage of traffic on such facilities. If actual percentage cannot be measured, the Parties agree to use the following percentages: LEC 2%, Cingular 98%, as shown in Exhibit 1 attached hereto.

C. The parties will establish trunk groups from the interconnecting facilities of subsection (A) of this section such that each party provides a reciprocal of each

trunk group established by the other party. Notwithstanding the foregoing, each party may construct its network, including the interconnecting facilities, to achieve optimum cost effectiveness and network efficiency. LEC's treatment of Cingular as to said charges shall be consistent with LEC'S treatment of other local exchange or CMRS carriers for the same charges. Unless otherwise agreed, LEC will provide or bear the cost of all trunk groups for the delivery of Local Traffic from LEC to Cingular's Mobile Telephone Switching Offices within LEC's service territory, and Cingular will provide or bear the cost of all trunk groups for the delivery of traffic from Cingular to the point of interconnection for a LEC access tandem or end office at which the parties interconnect. The Parties will bear the cost of trunk groups carrying transit traffic in proportion to the amount of transit traffic originated by each Party. Notwithstanding the foregoing, the Parties may use two-way trunks, in which case, the cost will be shared as provided in paragraph B of this section.

D. LEC agrees that in cases of LEC tandem exhaust, Cingular may employ a Type 2B connection directly to the appropriate LEC end office, and that LEC will bear the entire cost of such interconnection.

E. The parties will use a PLU factor of 90% (as shown on Exhibit 1 attached hereto) as a method for determining whether traffic is Local or Non-Local. The PLU factor will be used for traffic delivered by either party for termination on the other party's network.

F. When an Interexchange Carrier ("IXC") is used to transport traffic between the parties, each party will provide its own access services to the IXC. If access charges are billed, each party will bill its own access service rates to the IXC.

VII. Non-Local Traffic Interconnection

A. The parties agree to exchange Non-Local Traffic pursuant to a Bill & Keep arrangement. Non-Local Traffic is deemed to be in balance and/or negligible. Either party may request reconsideration and renegotiation of the compensation arrangements for Non-Local Traffic if it believes that the volume of such traffic has increased to a significant level and is no longer in balance. If the parties agree to replace the Bill & Keep arrangements with reciprocal compensation arrangements, the preferred method of classifying and billing traffic shall be actual traffic measurements. If either party cannot identify and measure Non-Local Traffic, then the parties shall agree on a surrogate method of classifying and billing such traffic, taking into consideration the territory served (e.g., MTA boundaries, LATA boundaries and state boundaries) and traffic routing of the parties.

VIII. Billing

A. Charges and Payment

(1). In consideration of the services provided under this Agreement, the Parties shall pay the charges set forth in Exhibit I.

(2). The Parties shall pay invoices within 30 days from the Bill Date. If the payment due date is a Saturday, Sunday or a designated bank holiday, payment shall be made the next business day. Invoices shall be sent to:

Highland
Highland Telephone Coop., Inc.
P.O. Box 119
Sunbright, TN 37872
Attention: A/P

Cingular
Cingular Wireless
5600 Glenridge Dr.
Mail Code G301
Atlanta, GA 30342
Attention: Kathie Kerr
Mgr. -- Facilities Administration

or such other address as the parties may designate to one another on at least thirty (30) days prior written notice.

(3). Billed amounts which are being investigated, queried, or for which claims have been or may be filed, are not due for payment until such investigations, claims, or queries have been resolved in accordance with the provisions governing dispute resolution of this Agreement. Disputed amounts will not be paid into an escrow account. All bill disputes must be raised within 24 months of the date of issuance of the disputed bill. If the billing dispute is finally resolved in favor of the billing Party, late payment charges (pursuant to the immediately following paragraph) shall accrue from the date payment was originally due.

(4) The Parties will assess late payment charges to each other in accordance with the applicable tariff or, if there is no tariff, the Billing Party will assess a late payment charge equal to the lesser of 1% per month or the maximum rate allowed by law per month of the balance due, until the amount due, including late payment charges, is paid in full

(5) All charges under this agreement shall be billed within one year from the time the charge was incurred; previously unbilled charges more than one year old shall not be billed by either party, and shall not be payable by either party.

B. Third-Party Billing

(1) Each Party acknowledges that it is the originating Party's responsibility to enter into compensation arrangements with the third-party carrier to which Transit Traffic is terminated. Each Party acknowledges that the transited Party does not have any responsibility to pay any third-party Telecommunications Carrier charges owed by the originating party

to the terminating carrier for termination of any identifiable Transit Traffic from the originating Party. Both Parties reserve the right not to pay such charges on behalf of the originating Party.

(2) Each terminating Party is responsible for billing the originating company for traffic terminated on its network. For Indirect Traffic, the originating Party will provide the originating billing information to the terminating Party if technically feasible. If the originating Party cannot provide the originating billing information to the terminating Party, then the terminating Party must obtain the originating billing information from the third-party intermediary. It is each Party's responsibility to enter into appropriate contractual arrangements with the third-party intermediary company in order to obtain the originating billing information from the intermediary company.

(3) When a third party's tandem and/or transit service is used to interconnect the Parties, measurements provided by the third party may be used to determine the traffic volumes between the Parties.

(4) The Parties agree to conform to MECAB and MECOD guidelines for meet-point billing arrangements.

(5) No discrete development charges shall be imposed on either Party for the establishment of standard meet-point billing arrangements.

C. Exchange of Records

(1) The Parties agree to exchange records, for billing purposes, based upon standards mutually agreed to by the Parties. The Parties further agree they will work toward implementing a record exchange process in accordance with industry standards.

(2) The Parties agree that, until industry standards are developed, they will communicate all billing and record format information through non-industry standard processes. The Parties further agree to pursue the development of systems to manage these processes in the future. Upon development of industry standards, both Parties agree to work towards implementation of these standards.

(3) The Parties agree to exchange test files to support implementation of billing prior to live bill production. The Parties agree to provide a report of actual measured traffic or a PLU report in an agreed-upon format on a quarterly basis unless otherwise mutually agreed arrangements are made.

IX. Access to 911/E911 Emergency Network

A. LEC will route 911 calls received from Cingular to the emergency agency designated by Cingular for such calls.

J. LEC will ensure that all applicable alarm systems that support Cingular customers are operational and the support databases are accurate. LEC will respond to Cingular customer alarms at Parity with response to alarms for its own carrier customers.

K. Parties shall provide prior notification of any scheduled maintenance activity performed by the Parties that may be service affecting to the other Party.

XII. Auditing Procedures

A. Upon thirty (30) days written notice, each party must provide the other the ability and opportunity to conduct an annual audit to ensure the proper billing of traffic between the parties. The parties will retain records of call detail for a minimum of nine months from which the PLU, the percent intermediary traffic, the percent interMTA traffic, and the PIU can be ascertained. The audit shall be accomplished during normal business hours at an office designated by the party being audited and shall be subject to scope and duration limitations reasonable under the circumstances. Audit requests shall not be submitted more frequently than one (1) time per calendar year. Audits shall be performed by a mutually acceptable independent auditor paid for by the party requesting the audit. The PLU, the percent intermediary traffic, the percent interMTA traffic and the PIU shall be adjusted based upon the audit results and shall apply to the usage for the quarter the audit was completed, the usage for the quarter prior to the completion of the audit, and to the usage for all subsequent quarters unless and until a subsequent audit is completed. . The term "audit" does not include traffic studies.

XIII. Limitation of Liability

A. Except as otherwise provided for in this paragraph, neither party shall be liable to the other party for any indirect, incidental, consequential, reliance, punitive, or special damages suffered by the other party (including without limitation damages for harm to business, lost revenues, lost savings, or lost profits suffered by the other party), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including without limitation negligence of any kind whether active or passive, and regardless of whether the parties knew of the possibility that such damages could result. The foregoing shall not limit a Party's obligation as set out in this Agreement to indemnify, defend, and hold the other Party harmless against amounts payable to third parties. Notwithstanding the foregoing, in no event shall either Party's liability to the other for direct damages arising out of (1) a material breach of this Agreement, or (2) activities related to or involved in performance under this Agreement (whether such alleged damages in this second category arise in contract or tort) shall not exceed an amount equal to the proportionate charge for the affected service(s) during the period in which damages occurred. If that standard is not applicable, such damages shall not exceed the total amount billed under this Agreement (during the calendar year(s) in which the damage occurred) by the damaged Party to the other Party.

B. EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES TO THE OTHER PARTY CONCERNING THE SPECIFIC QUALITY OF ANY SERVICES, OR FACILITIES PROVIDED UNDER THIS AGREEMENT. THE PARTIES DISCLAIM, WITHOUT LIMITATION, ANY WARRANTY OR GUARANTEE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR FROM USAGES OF TRADE.

C. Neither party shall be liable to the other for any act or omission of any other telecommunications company providing a portion of a service under this Agreement.

XIV. Indemnity

A. Each party shall be indemnified, defended and held harmless by the other party against any claim, loss or damage arising from the other party's negligent or grossly negligent acts or omissions under this Agreement, or arising from the other party's intentional misconduct under this Agreement, including without limitation: 1) Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the other party's own communications; 2) Claims for infringement of Intellectual Property arising from combining or using the service furnished by either party in connection with facilities or equipment furnished by either party or either party's customer; or 3) all other claims arising out of an act or omission of the other party in the course of performance pursuant to this Agreement.

B. In the case of any Loss alleged or claimed by an end user customer of either Party, the Party whose end user customer alleged or claimed such Loss shall defend and indemnify (whether the indemnifying Party was at fault or not) the other Party against any and all such claims or losses by its end user customer unless the claim or loss was caused by the gross negligence or willful misconduct of the Party to be indemnified.

XV. Modification of Agreement

A. No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties.

B. In the event that any effective legislative, regulatory, judicial or other legal action materially affects any material terms of this Agreement, or the ability of the Parties to perform any material terms of this Agreement, either Party may, on thirty (30) days' written notice, require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within ninety (90)

days after such notice, the Dispute may be referred to the Dispute Resolution procedure set forth herein.

(1) The Parties recognize and agree that LEC may, at any time during the term of this contract, avail itself of the intercarrier compensation rates established by the FCC in In re Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98 and CC Docket No. 99-68, FCC 01-131, Adopted: April 18, 2001, Released: April 27, 2001. If LEC avails itself of such rates with any carrier (including wireless providers) in the state in which this agreement is filed, then LEC must give notice to Cingular and offer such rates to Cingular. Once such notice is given, the Parties shall negotiate in good faith such new terms as may be required to implement the provisions of the above-described order. The new rates between LEC and Cingular will become effective upon the date that LEC first avails of such rates with any carrier (including wireless providers) in the state in which this agreement is filed.

C. If any provision of this Agreement shall be held invalid, the remainder of the Agreement shall remain valid. Moreover, the Parties shall attempt to reformulate such invalid provision to give effect to such portions thereof as may be valid without defeating the intent of such provision.

XVI. Taxes and Fees

A. Any Federal, state or local excise, license, sales, use, or other taxes or tax-like charges (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party (the "Paying Party") upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon the other Party (the "Remitting Party"). Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The Remitting Party shall collect and remit taxes unless the Paying Party provides the Remitting Party with the required evidence of exemption. The Paying Party may contest the same in good faith, at its own expense, and shall be entitled to the benefit of any refund or recovery, provided that the Paying Party shall not permit any lien to exist on any asset of the Remitting Party by reason of the contest. The Remitting Party shall cooperate fully in any such contest by the Paying Party by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. The Remitting Party shall promptly notify the Paying Party of any audit of the Remitting Party with respect to the types of taxes borne by the Paying Party, and the Remitting Party shall give the Paying Party an opportunity to participate in the audit with respect to such taxes and shall keep the Paying Party fully informed as to the progress of the audit. Each Party shall bear its own expenses with respect to the audit. The Remitting Party shall be liable for any additional tax, penalties or interest imposed on account of its failure to remit taxes on a timely basis, unless it has done so at the direction of the Paying Party.

XVII. Treatment of Proprietary and Confidential Information

A. It may be necessary for either Party, each as the "Discloser," to provide to the other Party, as "Recipient," certain proprietary and confidential information (including trade secret information) including but not limited to technical, financial, marketing, staffing and business plans and information, strategic information, proposals, request for proposals, specifications, drawings, maps, prices, costs, costing methodologies, procedures, processes, business systems, software programs, techniques, customer account data, call detail records and like information (collectively the "Information"). Nothing in this agreement shall be deemed proprietary. All such Information conveyed in writing or other tangible form shall be clearly marked with a confidential or proprietary legend. Information conveyed orally by the Discloser to Recipient shall be designated as proprietary and confidential at the time of such oral conveyance, shall be reduced to writing by the Discloser within forty-five (45) days thereafter, and shall be clearly marked with a confidential or proprietary legend.

B. Use and Protection of Information. Recipient agrees to protect such Information of the Discloser provided to Recipient from whatever source from distribution, disclosure or dissemination to anyone except employees of Recipient with a need to know such Information solely in conjunction with Recipient's analysis of the Information and for no other purpose except as authorized herein or as otherwise authorized in writing by the Discloser. Recipient will not make any copies of the Information inspected by it.

C. Exceptions Recipient will not have an obligation to protect any portion of the Information which: (a) is made publicly available by the Discloser or lawfully by a nonparty to this Agreement; or (b) is lawfully obtained by Recipient from any source other than Discloser; or (c) is previously known to Recipient without an obligation to keep it confidential; or (d) is released from the terms of this Agreement by Discloser upon written notice to Recipient, or (e) is disclosed pursuant to a valid order of court or regulatory body, provided the recipient gives the Discloser prior written notice of such order.

D. Recipient agrees to use the Information solely for the purposes of negotiations pursuant to 47 U.S.C. 251 or in performing its obligations under this Agreement and for no other entity or purpose, except as may be otherwise agreed to in writing by the Parties. Nothing herein shall prohibit Recipient from providing information requested by the Federal Communications Commission or a state regulatory agency with jurisdiction over this matter, or to support a request for arbitration or an allegation of failure to negotiate in good faith.

E. Recipient agrees not to publish or use the Information for any advertising, sales promotions, press releases, or publicity matters that refer either directly or indirectly to the Information or to the Discloser or any of its affiliated companies.

F. The disclosure of Information neither grants nor implies any license to the Recipient under any trademark, patent, copyright, or application which is now or may hereafter be owned by the Discloser.

G All Proprietary Information shall remain the property of the Discloser, and all documents or other tangible media delivered to the Recipient that embody such Proprietary Information shall be, at the option of the Discloser, either promptly returned to Discloser or destroyed using appropriate and reasonable means, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Proprietary Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Recipient's need for it has expired and (ii) the expiration or termination of this Agreement.

H. The Parties agree that an impending or existing violation of any provision of this Section would cause the Discloser irreparable injury for which it would have no adequate remedy at law, and agree that Discloser shall be entitled to obtain immediate injunctive relief prohibiting such violation, in addition to any other rights and remedies available to it at law or in equity, including both specific performance and monetary damages. In the event of any breach of this Section for which legal or equitable relief is sought, all reasonable attorney's fees and other reasonable costs associated therewith shall be recoverable by the prevailing Party.

I. Survival of Confidentiality Obligations. The Parties' rights and obligations under this Section 10 shall survive and continue in effect until two (2) years after the expiration or termination date of this Agreement with regard to all Information exchanged during the term of this Agreement.

XVIII. Resolution of Disputes

A. If a dispute arises under this Agreement, including disputes relating to any portion of an amount due to a Party, the Disputing Party shall give written notice of the dispute to the other Party. If the Parties are unable to resolve the issues within 30 days after delivery of Notice, each of the Parties shall appoint a designated representative who has authority to settle the dispute and who is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives, provided, however, that all reasonable requests for relevant information made by one Party to the other Party shall be honored.

B. If the Parties are unable to resolve the dispute within 90 days after the Parties' appointment of designated representatives, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy at law or in equity. The prevailing Party shall be entitled to recover its

attorneys' fees and costs. Moreover, each party reserves the right to seek judicial review of any ruling made by the Commission concerning this Agreement.

XIX. Waivers

Any failure by either party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

XX. Assignment

Other than to an affiliate, neither party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party, which will not be unreasonably withheld. Notice of assignment must be given at least 60 days in advance of the proposed assignment.

XXI. Amendment

This Agreement may not be amended in any way except upon written consent of the parties.

XXII. Severability

In the event that any provision of this Agreement shall be held invalid, illegal, or unenforceable, it shall be severed from the Agreement and the remainder of this Agreement shall remain valid and enforceable and shall continue in full force and effect; provided however, that if any severed provisions of this Agreement are essential to any party's ability to continue to perform its material obligations hereunder, the parties shall immediately begin negotiations of new provisions to replace the severed provisions

XXIII. Survival

Any liabilities or obligations of a party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a party under the provisions regarding indemnification, confidential information, limitations of liability and any other provisions of this Agreement which, by their terms, are contemplated to survive (or be performed after) termination of this Agreement, shall survive cancellation or termination thereof.

XXIV. Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the state in which it is filed, and by the Communications Act of 1934 as amended by the Act.

XXV. Arm's Length Negotiations

This Agreement was executed after arm's length negotiations between the undersigned parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all parties.

XXVI. Filing of Agreement

Upon execution of this Agreement it shall be filed with the appropriate state regulatory agency pursuant to the requirements of Section 252 of the Act.

XXVII. Notices

A. Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be made in one of two manners:

(1) in writing, delivered by certified or registered mail, or

(2) by facsimile transmission, provided that a paper copy is also sent by certified or registered mail.

B. All notices, consents, approvals or other communications required or contemplated by this Agreement shall be made to the following addresses:

Highland
Highland Telephone Coop., Inc.
P.O. Box 119
Sunbright, TN 37872
Attention: James H. Hamby
Information Systems Manager

Cingular
Cingular Wireless
5565 Glenridge Connector
Atlanta, Georgia 30342
Attention: Sr Interconnection
Manager

With a copy to:
Cingular Wireless
5565 Glenridge Connector
Atlanta, Georgia 30342
Attention: General Counsel

or at such other address as the intended recipient previously shall have designated by written notice to the other party.

C. Notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent. Notice by facsimile shall be effective on the date set forth on the confirmation produced by the receiving facsimile machine when received prior to 5:00 p.m. in the recipient's time zone, but the next business day when received at 5:00 p.m. or later in the recipient's time zone.

XXVIII. Relationship of Parties

It is the intention of the Parties that each shall be an independent contractor and nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other.

XXIX. No Third Party Beneficiaries

The provisions of this Agreement are for the benefit of the Parties hereto and not for any other person, and this Agreement shall not provide any person not a Party hereto with any remedy, claim, liability, reimbursement, right of action, or other right in excess of those existing without reference hereto. Nothing in this Agreement shall be construed to prevent Cingular from providing services to or obtaining services from other carriers.

XXX. Force Majeure

Neither Party shall be held liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power blackouts, strikes, work stoppage affecting a supplier or unusually severe weather. No delay or other failure to perform shall be excused pursuant to this Section unless delay or failure and consequences thereof are beyond the control and without the fault or negligence of the Party claiming excusable delay or other failure to perform. In the event of any such excused delay in the performance of a Party's obligation(s) under this Agreement, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of the delay. In the event of such delay, the delayed Party shall perform its obligations at a performance level no less than that which it uses for its own operations. In the event of such performance delay or failure by LEC, LEC agrees to resume performance in a nondiscriminatory manner and not favor its own provision of telecommunications services above that of Cingular.

XXXI. Restoration of Service In The Event Of Outages

A. LEC shall perform restoration of network elements and services in the event of outages due to equipment failures, human error, fire, natural disaster, acts of God, or similar occurrences at Parity. All service shall be restored as expeditiously as practicable and in a non-discriminatory manner.

B. The Parties will provide each other with a Single Point of Contact, available twenty-four hours per day, seven days a week, for all maintenance and service problem communications.

C. The parties will establish an escalation procedure for dealing with maintenance and service problem issues.

D. The Parties agree that, in cases of service outage or other service problems, Cingular shall receive higher priority than LEC's end user customers.

XXXII. Service Projections

The Parties will provide non-binding two-year intercompany forecasts for traffic utilization over trunk groups. These forecasts shall be updated semi-annually or at other standard intervals as mutually agreed to by both Parties.

XXXIII. Quality of Service

A. Interconnection quality of service shall be at Parity with that provided by LEC for its own services.

B. A blocking standard of 1% during the average busy hour shall be maintained for all local interconnection facilities.

C. The Parties shall negotiate a process to expedite network augmentations and other orders when initiated by the other Party.

D. The Parties will mutually develop operating statistical process measurements to ensure that a negotiated service quality level is maintained. Such statistics will be exchanged under an agreed upon schedule.

XXXIV. Entire Agreement

This Agreement and its Exhibit, incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement. In the event of any conflict between the term(s) of this Agreement and those of an applicable tariff, the terms of this Agreement shall control.

Cingular
BellSouth Personal Communications, LLC

By: Monica L. Galvin

MVG
Name Monica L. Galvin

Executive Director – Wholesale Services

Title 8/28/01

Date 8/28/01

LEC
Highland Telephone Cooperative, Inc.

By: James H. Hamby

Name James H. Hamby

Information Systems Manager

Title 8/20/01

Date 8/20/01

*ok,
ced*

EXHIBIT 1

The following are specific percentages and compensation rates agreed to by the Parties:

1. Local interconnection rate for termination of local traffic (Paragraph V-B): \$0.015 per MOU (Minute of Use).
2. 98% of the total traffic between the Parties is mobile-originated traffic terminated by LEC (Paragraph V-B).
3. If actual percentages cannot be measured, for purposes of determining the sharing of nonrecurring charges on two-way trunks, 98% of the total traffic between the Parties is mobile-originated traffic terminated by LEC, and 2% of the total traffic between the Parties is LEC-originated traffic terminated by Cingular (Paragraph VI-B)
4. The Parties agree to a PLU factor of 90% (Paragraph VI-D).

ANNEX 1

INTRALATA SWITCHED TOLL SERVICES ANNEX

Effective: January 1, 1985

This Annex between SOUTH CENTRAL BELL TELEPHONE COMPANY, having its principal place of business in Birmingham, Alabama, herein called the Bell Company, and the Independent Company as identified in the Agreement for the Provision of Telecommunications Services and Facilities, sets forth the terms and conditions regarding the provision of intraLATA switched toll services.

SECTION I

TRAFFIC COVERED BY THIS ANNEX

IntraLATA Switched Toll Services are defined as IntraLATA Message Telecommunications Services (MTS), including optional calling plans, Outward Wide Area Telecommunications Services (WATS) and 800 Service, which are furnished within LATAs in which both the Bell Company and the Independent Company operate in whole or in part by the system of the Independent Company and by the system of the Bell Company and are furnished exclusively by exchange carriers under uniform toll tariffs.

When Independent-to-Independent (I-I) or Bell-to-Independent (B-I) traffic ceases to be furnished under toll rate schedules identical for both the Independent Company and the Bell Company or when either I-I or B-I traffic becomes an Extended Area Service (EAS) or other local service offering, such traffic will no longer be covered by this Annex. No compensation to the Independent Company will be made by the Bell Company for such traffic under this Annex.

SECTION II DEFINITIONS

For purposes of this Annex:

The System of the Independent Company comprises the exchange areas, exchanges, toll stations and toll circuit groups operated by the Independent Company and associated with LATAs in which the Bell Company operates including systems of local wireline exchange carriers associated within the same LATA other than the Bell Company with which the Independent Company connects, as specified in Exhibit A of this Annex.

The System of the Bell Operating Company comprises the exchange areas, exchanges, toll stations and toll circuit groups operated by the Bell Company, and will include systems of local wireline exchange carriers within the same LATA other than those identified as a part of the system of the Independent Company, as specified in Exhibit A.

IntraLATA Message Telecommunications Services (MTS) includes the facilities used and services rendered in furnishing telephone toll service communications between customer premises in different exchange areas within a LATA, in accordance with the schedules of charges, regulations and conditions stated in the uniform statewide intraLATA exchange carrier toll tariff(s).

IntraLATA Outward Wide Area Telecommunications Service (WATS) includes facilities used and service rendered in furnishing telephone toll service communications from an access line to other stations within a specified area in a LATA in accordance with the schedules of charges, regulations and conditions stated in the exchange carrier toll tariff(s).

IntraLATA 800 Service includes the facilities used and services rendered in furnishing 800 Service from stations within a LATA to a customer premises in accordance with the schedules of charges, regulations and conditions stated in the exchange carrier toll tariff(s).

SECTION III INDEPENDENT COMPANY EXCHANGES

The exchanges of the Independent Company system covered by this Annex are listed in Exhibit A attached hereto.

SECTION IV PHYSICAL CONNECTION

The Bell Company and the Independent Company will connect and maintain the connections of their respective systems at the point or points listed in Exhibit A during the term of this Annex. Neither party will, without the written consent of the other, connect the facilities of the other party with any facilities other than as indicated in Exhibit A.

SECTION V ROUTING OF TRAFFIC

The traffic interchanged under this Annex will be routed as indicated in Exhibit A to this Annex. Changes in routing must be agreed to in writing by the parties before becoming effective.

SECTION VI
TRAFFIC RECORDING AND OPERATOR FUNCTIONS

The functions required to provide intraLATA switched toll services specified hereunder, e.g., recording and operating of intraLATA MTS, WATS, and 800 Service, shall be performed as shown in Exhibit B attached hereto.

SECTION VII
CONSTRUCTION AND PROTECTION OF PLANT

Each party will construct, equip, maintain and operate its system so as to provide adequate facilities for the efficient provision of good service to the public at all times.

Each party will take reasonable precautions in the location, construction and maintenance of its facilities for protection against hazard and interference from power lines and other sources.

SECTION VIII
MONTHLY COMPENSATION

Each party will collect all charges payable by its customers for intraLATA switched toll services in accordance with related tariff provisions and will account for and be responsible for such charges. Each party will keep adequate records of all collections, payments and other transactions hereunder, and such records will be subject to inspection by the other party upon reasonable request. Each party will furnish to the other such information as may be required for monthly compensation purposes. Compensation statements hereunder will be rendered monthly by the Bell Company to the Independent

Company and remittance in full, including disputed amounts, will be made by the debtor company by the last work day of the month following the month being settled. If a dispute is substantiated in favor of the exchange carrier, the fund will return the disputed amount plus interest (.05 percent per day). Disputes which cannot be resolved should be referred to the State Fund Oversight Committee for resolution.

SECTION IX BASIS OF COMPENSATION

Monthly compensation due each party for facilities furnished and services provided hereunder will be determined as provided in Exhibit C attached hereto and made a part hereof.

SECTION X DEFAULTS OR VIOLATIONS

If either party connects the facilities of the other party in any manner other than as specifically provided herein, this Annex is subject to immediate termination upon written notice.

SECTION XI TERM OF ANNEX

This Annex will become effective on the date specified and will continue in force thereafter, until terminated upon thirty (30) days prior written notice with or without cause by either party. This Annex may be amended from time to time upon written agreement of the parties.

CERTIFICATE OF SERVICE

I hereby certify that on March 12, 2004, a copy of the foregoing document was served on the parties of record, via the method indicated:

☐ Hand
☐ Mail
☐ Facsimile
☐ Overnight
☒ Electronic

Russ Mitten, Esquire
Citizens Communications
3 High Ridge Park
Stamford, CT 06905
Rmitten@czn.com

☐ Hand
☐ Mail
☐ Facsimile
☐ Overnight
☒ Electronic

Mark J. Ashby
Cingular Wireless
5565 Glenridge Connector, #1700
Atlanta, GA 30342
mark.ashby@cingular.com

☐ Hand
☐ Mail
☐ Facsimile
☐ Overnight
☒ Electronic

Marin Fettman, Esquire
T-Mobile, USA, Inc.
12920 SE 38th Street
Bellevue, WA 98006
marin.fettman@t-mobile.com

☐ Hand
☐ Mail
☐ Facsimile
☐ Overnight
☒ Electronic

Jon E. Hastings, Esquire
Boult, Cummings, et al.
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jhastings@boultcummings.com

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☒ Electronic

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Miller & Martin
150 4th Avenue, #1200
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cphillips@millermartin.com

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A handwritten signature in black ink, appearing to read 'Tom Sams', is written over a horizontal line.